Message Text

LIMITED OFFICIAL USE

PAGE 01 BONN 14207 251655Z

64

ACTION EUR-12

INFO OCT-01 AF-08 ISO-00 AID-05 CEA-01 CIAE-00 COME-00

EB-07 FRB-03 INR-07 NSAE-00 CIEP-01 SP-02 STR-04

TRSE-00 LAB-04 SIL-01 SAM-01 OMB-01 AGR-05 INT-05

PA-01 PRS-01 USIA-06 L-03 /079 W

----- 119938

R 251644Z AUG 76

FM AMEMBASSY BONN

TO SECSTATE WASHDC 1320

INFO AMEMBASSY THE HAGUE

AMEMBASSY ABIDJAN

AMEMBASSY PARIS

AMEMBASSY LONDON

AMEMBASSY ROME

USMISSION EC BRUSSELS

LIMITED OFFICIAL USE BONN 14207

E.O. 11652: N/A

TAGS: EAID, NL, IV, CF, GW

SUBJECT: GERMAN AND DUTCH OBJECTIONS TO STABEX FUND PAYMENTS TO CONGO/BRAZZAVILLE AND IVORY COAST

REF: EC BRUSSELS 6693

1. ON AUGUST 2L, A "DIE WEIT" ARTICIE REPORTED, AND ECONMIN SOURCE CONFIRMED, THAT THE FRG AND THE NETHERLANDS RECENTLY OBJECTED TO CERTAIN STABEX PAYMENTS UNDER THE LOME CONVENTION TO CONGO/BRAZZAVILLE AND THE IVORY COAST. EXPORT STABILIZATION PAYMENTS WERE SCHEDULED TO BE MADE BY THE COMMISSION AS THE RESULT OF A DROP IN 1975 WOOD EXPORTS FROM THESE TWO COUNTRIES (REFTEL). THE GERMANS AND DUTCH BELIEVE THAT THE DROP IN WOOD EXPORTS WAS CAUSED, HOWEVER, BY STATE INTERFERENCE IN THE WOOD EXPORT SECTORS OF THE LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 BONN 14207 251655Z

TWO COUNTRIES.

2. THE "DIE WELT" ARTICLE POINTS OUT THAT CONGO/BRAZZAVILLE, AS OF JANUARY 1, 1975 PROHIBITED THE PRIVATE EXPORT OF WOOD AND ESTABLISHED THE "OFFICE DU BOIS DU CONGO" TO HANDLE ALL WOOD EXPORTS. THIS AUTHORITY, HOWEVER, WAS UNABLE TO CONTINUE THE PRACTICE OF PREPAYMENTS TO PRODUCERS FOR WOOD EXPORTS AND THUS CAUSED A DROP IN WOOD PRODUCTION. CONGO/BRAZZAVILLE CONSEQUENTLY WAS UNABLE TO FILL SEVERAL CONTRACTS WITH GERMAN IMPORTERS, AND GERMAN WOOD IMPORTS FELL IN 1975 FROM DM 80 MILLION TO DM 50 MILLION. GERMAN IMPORTERS WOULD HAVE PURCHASED MORE WOOD IF MORE HAD BEEN AVAILABLE.

3. WOOD EXPORTS FROM THE

IVORY COAST WERE REDUCED BY AN INCREASE IN THE PERCENTAGE OF RAW WOOD THAT THE GOVERNMENT REQUIRES TO BE DELIVERED TO ITS PROCESSING FACTORIES. AS A RESULT THE AMOUNT OF RAW WOOD REMAINING FOR EXPORT IN 1975 DECREASED.

- 4. ACCORDING TO THE ARTICLE, THE COMMISSION DID NOT AGREE WITH GERMAN AND DUTCH OBJECTIONS. THE OTHER EC MEMBER STATES EITHER SUPPORTED THE COMMISSION OR WERE NOT AS DISTURBED BY THE PAYMENTS AS THE GERMANS AND DUTCH. AS A RESULT, THE EXPORT STABILIZATION PAYMENTS WILL NOW BE EFFECTED DESPITE THE OBJECTIONS OF THE GERMANS AND DUTCH. AN ECONMIN SOURCE CONFIRMED THE ABOVE BUT DID NOT KNOW IF THE TRANSFERS HAD YET BEEN MADE.
- 5. OUR ECONMIN SOURCE ALSO CONFIRMED THE FRG VIEW REPORTED IN "DIE WELT" THAT THE LOME CONVENTION IS NOT PRECISE ENOUGH TO INSURE PROMPT REPAYMENT OF STABEX LOANS. IT IS THE FRG POSITION THAT FIRMLY ESTABLISHED REPAYMENT TERMS WOUID BENEFIT THE POORER ACP COUNTRIES BY INSURING THE REPLENISHMENT OF FUNDS WHICH HAVE ALREADY PROVEN TO BE TOO SMALL TO COMPENSATE ALL EXPORT DROPS FOR 1975.

CASH LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 BONN 14207 251655Z

LIMITED OFFICIAL USE

NNN

Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006	3

Message Attributes

Automatic Decaptioning: X Capture Date: 01 JAN 1994 Channel Indicators: n/a

Current Classification: UNCLASSIFIED

Concepts: PRESS COMMENTS, ECONOMIC ASSISTANCE, EXPORTS, WOOD

Control Number: n/a Copy: SINGLE Draft Date: 25 AUG 1976 Decaption Date: 01 JAN 1960 Decaption Note: Disposition Action: RELEASED Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: ShawDG
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1976BONN14207

Document Number: 1976BONN14207 Document Source: CORE Document Unique ID: 00

Drafter: n/a Enclosure: n/a Executive Order: N/A Errors: N/A

Film Number: D760325-0190

From: BONN

Handling Restrictions: n/a

Image Path:

Legacy Key: link1976/newtext/t19760823/aaaaaszk.tel Line Count: 107 Locator: TEXT ON-LINE, ON MICROFILM

Office: ACTION EUR

Original Classification: LIMITED OFFICIAL USE

Original Handling Restrictions: n/a Original Previous Classification: n/a Original Previous Handling Restrictions: n/a

Page Count: 2

Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE

Previous Classification: Limited Official Previous Handling Restrictions: n/a
Reference: 76 EC BRUSSELS 6693
Review Action: RELEASED, APPROVED
Review Authority: ShawDG

Review Comment: n/a Review Content Flags: Review Date: 06 APR 2004

Review Event:

Review Exemptions: n/a
Review History: RELEASED <06 APR 2004 by CunninFX>; APPROVED <10 AUG 2004 by ShawDG>

Review Markings:

Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MÁY 2006

Review Media Identifier: Review Referrals: n/a Review Release Date: n/a Review Release Event: n/a **Review Transfer Date:** Review Withdrawn Fields: n/a

Secure: OPEN Status: NATIVE

Subject: GERMAN AND DUTCH OBJECTIONS TO STABEX FUND PAYMENTS TO CONGO/BRAZZAVILLE AND IVORY COAST TAGS: EAID, ETRD, NL, IV, CF, GE
To: STATE

Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006